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COMMENTS ON THE REPORT OF THE INSPECTOR GENERAL  
CONCERNING THE SENIOR RESEARCH STAFF ON INTERNA-  
TIONAL COMMUNISM

1. The Report of the Inspector General is welcomed by SRS as a constructive attempt to improve the organization of research on International Communism. SRS from its inception has recognized that it was part of a bold and imaginative design to broaden and deepen the intellectual base of policy in countering the greatest threat to our national security. As such, it conceived itself as being an experimental vessel, launched with hopes and misgivings in the riptides of government. Like any serious trial project, it has constantly sought to appraise itself dispassionately and to consider the alternatives to its continued existence. In the course of two and a half years of intense self-criticism, it has come to certain conclusions which differ significantly from the findings and recommendations of the Inspector General. In sum, SRS believes that the original conception from which it was created was sound, but that certain changes in its position within the Agency would be advisable. These are presented below in the form of specific recommendations, after a comment on the findings of the Inspector General.

2. We believe that the Inspector General's account of the origin of SRS is correct, although it may not indicate sufficiently the complex

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nature of the survey conducted by [REDACTED] in 1954-55, nor the full scale of alternatives which were canvassed at that time. This is a not unimportant omission, in that it passes over the deliberation with which SRS was established and the weight ~~within~~ the intelligence community which it was intended to have. Furthermore, within the horizon of ideas surveyed at that time, lies, in our opinion, the correct resolution of the problems which the Inspector General's report has analyzed.

3. The report might also have devoted more consideration to the fact that [REDACTED] attempted to provide a three-part mechanism for conducting research on International Communism, defining and strengthening the roles of [REDACTED] and of OIR in the field of International Communism, and creating a new instrument, SRS, to conduct a type of research which neither of the other two was intended to do. This conception, which was noted officially by the IAC (IAC-D-99, August 1955) clearly implied cooperation and interaction of the three elements while maintaining separateness of function. In a sense, a sort of arch was created which could not continue to stand if one of its three structural elements was removed. The recommendation of the Inspector General that the SRS function be removed from the Agency and from the government thus, not only negates the original conception,

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but raises the question how the two expanded Communist research elements of DD/P and OIR would deal with <sup>PARTICULAR</sup> that area - the speculative - <sup>1</sup> which had been assigned to SRS.

4. Indeed, it seems to us that the principal criticism of the IG report is its failure to give due weight <sup>THIS</sup> to the speculative function. That the speculative study of Communism was considered to be a serious gap in governmental research on International Communism <sup>25X1A9a</sup> is made clear in both the original memorandum of [REDACTED] and in IAC-D-99. SRS has worked consistently under the stipulation that it was to view the world situation of Communism so far as possible "through Kremlin eyes", and to develop from that insight, suggestions for "countering communism." To this task it has brought a specialized form of imagination and discipline which, we believe, could not be readily replaced if its staff were dispersed.

5. That the speculative function of SRS involves comment on US policy was recognized in the language of IAC-D-99. The Inspector General believes that this is not an appropriate function for an intelligence agency to exercise, and in the strict sense this may be true. Nevertheless, de facto, and to some extent de jure, CIA does play a role in the formation and execution of national policy, and so long as this remains the case, we believe that it should have an element

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which concerns itself with speculation on such matters as the Director of Central Intelligence includes within his purview. It should be noted that this aspect of SRS production has been rigidly confined to the channel of the Deputy Director for Intelligence who has been at liberty to indicate any transgressions of the bounds within which the Staff was intended to operate. If it should be deemed that this entire function is inappropriate, it could be eliminated and still leave intact the broad range of intelligence speculation which was also assigned to SRS and which has been the subject of the bulk of its study and of its production disseminated outside the Agency. It is my personal opinion that something valuable would be lost by such a decision, but it could be carried out without doing violence to the conception of the Staff.

6. The actual production of SRS has, we believe, been more distinctive and fruitful than the Inspector General's report seems to imply. It is only partially correct to say that our work has been primarily "self-generated." A substantial proportion has been responsive to direct requests for assistance, notably from the IO Division and 25X1A8a [REDACTED] and has been received with appreciation. We have also contributed directly to outside Agencies, especially OCB

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and USIA (notably SRS-5, Moscow Festival, which was transmitted to SEATO in advance of Agency publication). We have on occasion commented on drafts of the Director and ONE, and have had numerous oral discussions with desk officers of the DD/P branches bearing on their operational problems. In other words, while "self-generation" is and probably should be the major source of SRS activity, it is not the only one. The Staff has become an integral part of the Agency and the intelligence community, and through this position has made a substantial contribution to other elements of the government. With the organizational broadening of base, recommended below, its seminal influence can be greatly extended in the future.

7. The report presents, we believe, a somewhat misleading impression of the relation of SRS production to that of other Agency elements, especially <sup>25X1A8a</sup> [REDACTED]. It is not correct to imply that our disseminated works have frequently presented views conflicting with other Agency publications. <sup>Each</sup> ~~our~~ major SRS studies <sup>y</sup> bear <sup>s</sup> a clear caveat, stressing <sup>ITS</sup> ~~the~~ speculative approach and the informal nature of the coordination to which it has been subjected. <sup>25X1A8a</sup> If this is not sufficient to differentiate SRS studies, say from NIEs or [REDACTED] publications, this caveat could be made fuller and more explicit. We do not believe, as matters now stand, that our workd are misunderstood as representing the official Agency position.

3. In spite of the fact that SRS judgments are independent and not subject to compulsory coordination, they have in fact been largely agreed to by competent elements within and outside the Agency.

The two exceptions noted in the IG report, rather than being evidence of an impermissible conflict, are in fact indicative of valid difference

of opinion on an important subject, i.e. the role of political as <sup>CONSTRUCTIVE</sup> opposed to <sup>REPRESSIVE Police</sup> ~~strictly counter-intelligence~~ measures in combatting Communism. Our paper on Legality vs. Illegality (SRS-4 - - - ) <sup>+11/2</sup>

was a balanced evaluation of the two approaches to this task, and was recognized as such by many of its readers. The fact that <sup>25X1A8a</sup> [redacted] was opposed to its publication was communicated to DD/I, who nevertheless approved its issuance. It is true that SRS judgment with respect to the Nenni Socialists was different to that of the CI Staff, but it is not true, as stated in the report, that our view was disseminated outside, or even within the Agency. Rather, at the instigation of <sup>25X1A8a</sup> [redacted] a serious debate was conducted in which it became apparent that the judgment not only of SRS but of the majority of intelligence analysts (ONE, OCI and OIR) <sup>was</sup> ~~were~~ opposed to that of <sup>25X1A8a</sup> [redacted] of DDP.

The issue was laid before the Director, who, as far as we are aware, has not indicated that the SRS contribution to this important debate

was out of order. Apart from these two issues, there has been  
25X1A8a  
general harmony of views between SRS and [REDACTED] we have reviewed  
each other's papers in draft, and SRS has made many suggestions to  
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[REDACTED] which have been received with expressions of appreciation.

9. The comparison between SRS and CI/ICD production may be  
somewhat misleading. The purely statistical ~~comparison~~ <sup>CONFRONTATION</sup> considering  
the relative sizes of the two elements, is not unfavorable to SRS.  
The listing of titles has been somewhat arbitrary in selection, and  
implies a degree of overlap between the two which in fact does not  
exist. The IG report notes a difference of content and approach  
between the two products but does not specify its nature. In our  
opinion the difference is profound, reflecting the quite diverse functions  
25X1A8a  
of the two staffs. [REDACTED] production is properly weighted in support  
of DDP operations; it is usually either narrative-descriptive or in the  
25X1A8a  
nature of detailed factual compilation. On occasion, indeed, [REDACTED]  
has ventured into the speculative field, sometimes quite successfully.  
SRS has not objected to these papers (e.g. Titoism, the 40th Anniversary  
Celebration in Moscow), and has made constructive comments on them,  
which have been received with due appreciation. Nevertheless, a  
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problem does exist in the incursion of [REDACTED] into a field which is properly  
that of DDI in general, not merely of SRS. This problem has been noted  
by the DDI himself. The recommendation given below is designed.

inter alia, to resolve this matter by providing a legitimate charter outlet for the considerable residue of speculative thought which inevitably has accumulated in a large group of specialists doing research in support of operations. <sup>25X1A8a</sup> It might be noted that this problem is not confined to [REDACTED] but arises in other elements of DDP, notably SR Division, [REDACTED]. 25X1A8a

10. Perhaps the most disappointing feature of the IG report is its apparent failure to evaluate the production of SRS in terms of originality, depth and intellectual distinction. Such an evaluation is indeed difficult to formulate, whether on the basis of a reading of the material or a sampling of reactions by customers. SRS has constantly attempted to obtain such reactions, and, while they have not been numerous, at least in written form, they have been substantial and positive. Moreover, it is possible to judge indirectly from the incorporation of SRS themes and proposals into <sup>the</sup> thought and action of groups and individuals associated with the action programs and policy functions of the government. From this we feel justified in concluding that we have made a number of contributions on the most important subjects of national security which have been consistent, clear and marked by unusual foresight. It is not the purpose of this paper to illustrate this claim, but SRS is prepared to list a number of major <sup>CONTRIBUTIONS,</sup> ~~points of insight,~~ any one of which would be sufficient to justify its existence.

*add thought stimulation*



11. Turning to the recommendations of the Inspector General, SRS contends that they do not follow as a necessary conclusion from the findings. In effect what is said is that more speculative research on international Communism is desirable, but that it should not be done within the government. It is not entirely clear to us whether this conclusion is derived solely from intrinsic considerations, or is in part influenced by concern for budgetary tidiness. It would hardly seem that the transfer of this type of work from an Agency office to an outside organization supported by the Agency would constitute an economy, nor make the Agency's budget more defensible. If economy is the objective, it would seem possible to achieve this more rationally by tidying the structure of research within the Agency <sup>through</sup> ~~by~~ internal consolidation and concentration of effort. SRS would have a number of proposals to make on this subject.

12. It may be debated whether an outside organization such as 25X1A5a1 [REDACTED] is capable of exercising greater influence on the policy process than a strategically placed element of government itself. It is true that, on occasion, a non-governmental voice, a prominent columnist or correspondent or a distinguished scholar, may <sup>elicit</sup> ~~command~~ a more positive reaction in Washington than a constituted intelligence agency. Nevertheless, our experience suggests that the research papers of

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scholarly institutions are all too often neglected, except perhaps  
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by individual ~~anal~~ analysts, and do not have the weight of properly  
staffed official papers.

13. Moreover, the advantages enjoyed by governmental research appear to us to be decisive in the type of work with which SRS is charged. There is no substitute for the full "take" of cables, dispatches and reports which even in a cleared group such as [REDACTED] are never fully and promptly available. Still less is there a substitute for the innumerable daily contacts with officials who must deal with the problems of combatting Communism on the level of action responsibility. The advantage of detachment and freedom from pressure, which is sometimes imputed to non-governmental scholarship, is real, but perhaps <sup>INSPIRING</sup> less important than frequently supposed. In any case, SRS has found from its own experience that it is possible to achieve detachment and time for reflection within the government framework, and that the daily pressures of production need not weigh too heavily on a group who are able and determined to resist them and whose long-range purview is clearly recognized and protected. SRS has also found that it can move with ease and flexibility in the highest academic circles, <sup>here and abroad,</sup> enjoying a degree of prestige and access which would scarcely be achievable if it were simply one of a number of <sup>scholarly</sup> academic groups in the field. This valuable asset, which is fully reflected in our work, would be lost if SRS were removed from Washington. -10-

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14. Another negative, though secondary factor in weighing the Inspector General's recommendation, is the personal career position of the staff members who might be affected by a transfer to [REDACTED] <sup>25X1A5a1</sup> <sup>of them</sup> While all accept the career obligation to go where their services are most needed, they do not welcome the prospect presented by the IG's recommendation. They are all dedicated to government service, and feel that the 10 to 15 years' experience which most of them have acquired <sup>in</sup> ~~by~~ intelligence can best be utilized in Washington. In the event SRS were abolished, they would hope that their records would make it possible for them to get suitable positions elsewhere in the Agency.

15. Since, as indicated above, we do not regard the IG's recommendation as the best solution to the problems posed, it behooves us to offer some constructive alternative. This has been a continuing preoccupation of SRS. In a sense the concern with alternative solutions may be said even to have antedated the creation of the staff, and the proposal which we make was <sup>first</sup> ~~just~~ elaborated by [REDACTED] <sup>25X1A9a</sup> in 1955.

16. In essence the recommendation is similar to the conception of Chief, CI set forth on p. of the Inspector General's report. This matter was discussed in 1956 between Chief, CI Staff and Chief, SRS, and has been ripened subsequently <sup>in our deliberations,</sup> It was not presented earlier, so as not to prejudice the Inspector General's findings, nor to raise internal organizational stirrings prematurely. -11-

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17. Our proposal is to unite SRS and [REDACTED] in a single body, established as an office under an Assistant Director reporting to the Director of Central Intelligence. A small staff would be retained by DDP/CI for operational support matters which would derive all its research matter from the Office of International Communism. To the latter would be added a number of scattered research elements now working in closely related fields, notably [REDACTED] parts 25X1A2g of the FBIS Propaganda Analysis Branch, and small groups or individuals from SR Division and [REDACTED] 25X1A8a It might also be desirable to transfer from ORR and OSI a few individuals who would be qualified to do research in the long-range economic, scientific and technical aspects of the Communist threat.

18. This paper does not attempt to work out the details of such a reorganization, but we are ready to produce a specific plan if the proposal is deemed worthy of further investigation. We believe that the proposed office should be organized on both geographic and functional lines, somewhat comparable to the present CI staff. The Division or branch chiefs would be responsible for directing the research of their components, and would also constitute a body, somewhat like the Estimates Group of OIR, which would continue the speculative work of SRS. While this office would be independent of DDP and DDI it would work with them in closest collaboration and would help support their many and varied missions. -12-

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Inasmuch as Mr Allen Dulles is by law Director of Central Intelligence of the U.S. Government, an office devoted to International Communism studies would be infinitaly stronger if placed under him. It would not only have the right to cross DDI andDDP lines within the Agency, but would be in a stronger position to maintain its liaison functions outside the Agency.

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19. A ~~possible~~ variant on this conception would permit the inclusion of individual representatives of the other IAC services. It would not be desirable, however, that this should imply formal coordination on the national intelligence level.

20. Essential to the success of this Office would be careful staffing with the best talent available. <sup>MINDS</sup> This should include a number of experienced operations officers on two-year rotational tours. Every effort should be made to simplify the organizational structure of the Office and to eliminate distracting influences and impacts. It should be self-administering, since it is difficult to reconcile administrative subordination to one of the other offices with the necessary independence. <sup>OF JUDGMENT</sup> In our opinion, if all the necessary elements were contributed from the various units of the Agency mentioned above, the whole could be consolidated with a substantial saving of manpower.

21. This is a bold suggestion, departing from conventional organizational notions and challenging established jurisdictions. It has, however, the significant support of the most experienced official of the Agency in this field, Chief/CI. We believe that it is also a natural outgrowth of the scheme projected by <sup>25X1A9a</sup> [REDACTED], and one which,

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with support from the Director and his Deputies, would strengthen the Agency in its central mission.

22. Finally, it should be noted that this proposal does not imply  
25X1A5a that [REDACTED] should not be strengthened in the field of International  
Communism. This may well be desirable, but in our opinion it is  
not the best solution to the internal problem of the Agency.

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